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STATE OF ARIZONA

FEB 1 3 1996

	DEPARTMENT	OF	INSURANCE BY THE INSURANCE
In the Matter of)		Docket No. 95A-267-INS
ROBERT SCOTT BURGMAN,)		
Respondent)		ORDER

On February 9, 1996, the Office of Administrative
Hearings, through Administrative Law Judge Lewis D. Kowal,
submitted "Recommended Findings of Fact, Conclusions of Law and
Recommended Order", a copy of which is attached and incorporated
by this reference. The Director of the Arizona Department of
Insurance has reviewed these recommendations, and enters the
following order:

- 1. The Recommended Findings of Fact and Conclusions of Law are adopted; and
- 2. The life and disability insurance agent license issued by the Arizona Department of Insurance to Robert Scott Burgman is revoked effective immediately.

NOTIFICATION OF RIGHTS

The aggrieved party may request a rehearing with respect to this Order by filing a written petition with the Office of Administrative Hearings within 30 days of the date of this Order, setting forth the basis for such relief pursuant to A.A.C. R20-6-114(B).

LICENSING SECTION

The final decision of the Director may be appealed to the Superior Court of Maricopa County for judicial review pursuant to A.R.S. §20-166.

DATED this/2day of February, 1996.

CHRIS HERSTAM Director of Insurance

COPY of the foregoing mailed/delivered this 3% day of February, 1996, to:

Charles R. Cohen, Deputy Director
Gregory Y. Harris, Executive Assistant Director
John Gagne, Assistant Director
Douglas Ullrich, Investigator
Maureen Catalioto, Supervisor
Department of Insurance
2910 N. 44th St., Suite 210
Phoenix, AZ 85018

Kathryn Leonard Assistant Attorney General 1275 West Washington Phoenix, AZ 85007

Robert Scott Burgman 461 E. Covered Wagon Dr. Tucson, AZ 85718

Paul Revere Life Insurance Company 18 Chestnut Street Worcester, MA 01608

Investors Insurance Corp. 1001 Jefferson Plaza, Suite 203 Wilmington, DE 19801

Jackson National Life Insurance Company P.O. Box 24068 Lansing, MI 48909

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First Colony Life Insurance Company P.O. Box 1280 Lynchburg, VA 24505

STATE OF ARIZONA

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FEB 9 1996

IN THE OFFICE OF ADMINISTRATIVE HEARINGS

INSURANCE DEPT.

No. 95A-267-INS

Office of Administrative Hearings

9 1996

FEB

In the Matter of

ROBERT SCOTT BURGMAN,

Respondent.

RECOMMENDED FINDINGS OF FACT, CONCLUSIONS OF LAW AND RECOMMENDED ORDER

On February 8, 1996, a hearing took place in the above-referenced matter. Assistant Attorney General Kathryn Leonard appeared on behalf of the Arizona Department of Insurance ("Department"). Respondent Robert Scott Burgman ("Mr. Burgman") did not appear at the hearing.

Based upon the entire record, including all pleadings, motions, testimony, and exhibits, Administrative Law Judge Lewis D. Kowal prepared the following Recommended Findings of Fact, Conclusions of Law, and Recommended Order for consideration by the Director of the Department ("Director").

FINDINGS OF FACT

- Mr. Burgman is currently licensed in the State of Arizona as a life and 1. disability agent. The life and disability agent license issued by the Department to Mr. Burgman (license number 326050) is due to expire on August 31, 1997.
- On June 18, 1993, the Department received a Renewal Application (1993 Renewal Application") from Mr. Burgman for licensure from August 31, 1993 to August 31, 1995.
- 3. At the request of the Department's counsel, the undersigned Administrative Law Judge took administrative/judicial notice of the 1993 Renewal Application in the Department's licensing file on Mr. Burgman.
- Mr. Burgman answer "No" to Question C of the 1993 Renewal Application which asks, "Since your last application or renewal thereof, have you had any professional, vocational or business license denied, suspended, revoked, restricted, or had a fine imposed by any public authority, or have you withdrawn any application for or surrendered any license to avoid any disciplinary action?".
- 5. On August 7, 1992, the Arizona Corporation Commission ("A.C.C.") issued Decision No. 57979, Docket No. S-2743-I ("Decision No. 57979"), In the Matter of the Offering of Securities By: Boucher, Oehmke & Company, et al. which

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named Robert Scott Burgman as a Respondent in that matter. The A.C.C. concluded as a matter of law that Mr. Burgman had violated the anti-fraud provisions of A.R.S. §§44-1991.2 and 44-1991.3, and that Mr. Burgman lacked integrity within the meaning of A.R.S. §44-1962.4.

- 6. In Decision No. 57979, The A.C.C. ordered Mr. Burgman to cease and desist from violations of the Arizona Securities Act and Mr. Burgman's salesman registration license was revoked.
- 7. On June 13, 1995, the Department received a Renewal Application ("1995 Application") from Mr. Burgman for licensure from August 31, 1995 to August 31, 1997.
- 8. Mr. Burgman answered "No" to Question D of the 1995 Renewal Application which asks, "Since your last application or renewal thereof, have you had any professional, vocational, or business license, including an insurance license, refused, denied, suspended, revoked or restricted, or have you withdrawn any application for or surrendered any license to avoid any such action?".
- 9. On or about December 21, 1994, the A.C.C., after hearing, entered Decision No. 58909, Docket No. S-3025-I, *In the Matter of the Offering of Investment Management Services by Robert S. Burgman, d.b.a. Financial Design Equities* denying Mr. Burgman's application for licensure. The A.C.C concluded as a matter of law that Mr. Burgman's application for licensure as an investment adviser should be denied because Mr. Burgman had been found to have engaged in dishonest or unethical practices in the securities industry pursuant to A.R.S. §44-3201(A)(13).

CONCLUSIONS OF LAW

- 1. Mr. Burgman received notice of this proceeding as prescribed by A.R.S. §§20-163 and 41-1061.
- 2. The Director has jurisdiction over this matter pursuant to A.R.S. §§20-161 and 20-290.
- 3. Mr. Burgman's conduct constitutes the existence of any cause for which original issuance or any renewal of the license could have been refused within the meaning of A.R.S. §20-316(A)(1).
- 4. Mr. Burgman's conduct constitutes a record of dishonesty in business or financial matters in violation of A.R.S. §20-290(B)(2) together with A.R.S. §20-316(A)(1).

- 5. Mr. Burgman's conduct constitutes the wilful violation of, or wilful noncompliance with, any provision of this title, or any lawful rule, regulation or order of the Director in violation of A.R.S. §20-316(A)(2).
- 6. Mr. Burgman's conduct constitutes the existence of misrepresentation in obtaining or attempting to obtain any insurance license in violation of A.R.S. §20-316(A)(3).
- 7. Grounds exist for the Director to suspend, revoke or refuse to renew Mr. Burgman's insurance licenses, impose a civil penalty upon Mr. Burgman, and/or order restitution, pursuant to A.R.S. §§20-316(A) and 20-316(C).

RECOMMENDED ORDER

Based upon the above, the undersigned Administrative Law Judge recommends that the life and disability insurance agent license that the Department issued to Mr. Burgman be revoked effective immediately.

DATED this 9th day of February, 1996.

LEWIS D. KOWAL

Administrative Law Judge

COPY of the foregoing mailed/delivered this day of February, 1996, to:

Chris Herstam, Director Arizona Department of Insurance 2910 North 44th Street, Suite 210

Phoenix, AZ 85018

Chris Crawford

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